

# Political Risk Update: April 7, 2021

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## Jordan: Royal crisis highlights economic risks

### Event

On April 6, Amman banned reporting on an alleged plot involving King Abdullah's younger half-brother, Prince Hamzah.

### Outlook

The driver behind the royal crisis has been the government's increased sensitivity to criticism as public discontent mounts over economic conditions that it has little ability to alleviate. That seems to have led to a clumsy pre-emptive effort to contain Hamzah, a popular figure around whom dissent could congregate, but this has only managed to provoke an angry reaction and unintended escalation. The ruling family may close ranks, but the country's deeper problems remain intractable and will not be helped by alienating Riyadh.

### Analysis

Formerly his father's favourite, Hamzah had been his brother's heir until 2004 and had strong links with the East Bank tribes that constitute the key support base for the monarchy and security forces. As tensions have risen in recent months over worsening economic conditions that have been exacerbated by the pandemic, Hamzah reportedly attended outspoken meetings. The chief of staff visited him on April 3 to place him under quiet house arrest; he responded with a public denouncement of the government's poor performance. The next day, the foreign minister announced multiple arrests which included two prominent figures with Saudi links, citing a foreign plot. Following mediation by their uncle on April 6, Hamzah signed a letter reaffirming loyalty to his brother but appeared to remain confined.

## India: Deadly attack in Chhattisgarh underscores latent Naxalite threat

## Event

On April 5, police in Chhattisgarh said that they would intensify their operations against the Maoist rebels known as Naxalites.

## Outlook

The Maoist threat may be much lower than it was in previous decades, but India has some way to go before eliminating it entirely; the risk of attacks endures in a few areas of a handful of states. The government will double down on its anti-Naxalite strategy in Chhattisgarh, where the risk is highest. This will involve stepping up support for the local police to ensure they can improve intelligence gathering and are sufficiently well armed.

## Analysis

Insurgents armed with automatic rifles, grenades and rocket launchers killed 22 police and paramilitary troops and injured 30 others in an attack in the central state's Bijapur district on April 3. This was the highest death toll in a single incident for Indian security forces fighting Maoists since 2017. India's Naxalite insurgency began in the 1960s with the rebels accusing the Indian government of dispossessing tribal communities of their lands. In October 2018, the then home minister said the country's Naxalites would be eliminated within three years. However, reports suggest insurgents have stepped up recruitment since the onset of the COVID-19 crisis last year, reaching out to people badly hit by the pandemic's economic impact.

## Ukraine: Western countries offer support as tensions rise

### Event

On April 5, EU foreign affairs chief Josep Borrell and UK Prime Minister Boris Johnson both reaffirmed their "unwavering support for Ukraine's sovereignty and territorial integrity".

### Outlook

The strongly worded statements are just in case Moscow is considering some kind of military intervention. The consensus view is that this is not the case, and that the recent Russian military activity close to the Ukrainian border is primarily intended to pressure Kyiv into speeding up the pace of peace talks while also creating problems for the new Biden administration. On the ground, the warring sides in east Ukraine accuse one another of aggressive intentions, raising the risk of inadvertent military escalation.

### Analysis

Borrell and Johnson were both referring to a recent increase in the movement of Russian armed forces close to Ukraine's borders. President Biden used similar language in his long-awaited first phone call with Ukrainian President Volodymyr Zelensky on April 2, while France and Germany, both key mediating states, have also spoken out -- although perhaps not as definitively as Kyiv might have hoped. NATO ambassadors met on April 1 to discuss large-scale Russian military activities near Ukraine and in Crimea.

## Venezuela: Increasing clashes will worsen along border with Colombia

### Event

Vladimir Padrino Lopez, Venezuela's defence minister, announced on April 5 that Caracas would create a temporary special military unit to operate in Apure state, on the Colombian border.

### Outlook

Ongoing security difficulties in Colombia will exacerbate the situation in Venezuelan border areas, with the Venezuelan military poorly prepared to respond effectively but prone to commit human rights abuses.

### Analysis

The new unit is a response to the rise in clashes with illegal armed groups that have led to a number of recent civilian and military deaths and the displacement of around 5,000 Venezuelan civilians, many of whom have fled across the border. The armed groups are said to include drug traffickers, contraband smugglers and dissident factions of Colombia's former FARC rebel group, as well as, allegedly, Colombian proxies seeking to destabilise the Venezuelan government. The rise in conflict comes amid a new surge in cases of COVID-19 in Venezuela, which is now likely to be worsened by the displacement of civilian populations and the smuggling of fuel that will permit some reactivation of road transport.

## Philippines: Manila protests as Chinese vessels mass along Mischief Reef

### Event

The Philippine foreign ministry said on April 5 that it would issue diplomatic protests each day that Chinese boats remain massed along the disputed Mischief Reef in the South China Sea.

### Outlook

Beijing's actions around Mischief Reef, which it considers perfectly within its rights, may be partly designed to gauge the extent of the Biden administration's support for the ASEAN South China Sea claimants. Washington will be wary of escalating the current situation but will nonetheless reaffirm its backing for Manila. In the medium term, it will aim to strengthen its regional partners' maritime domain awareness and maintain a high frequency of freedom of navigation operation (FONOP) patrols in the area.

### Analysis

Manila says the vessels around Mischief Reef are part of China's maritime militia, while Beijing maintains that they are fishing boats. The row over the situation has already continued for more than two weeks, and China has little interest lowering the tension. The Philippines is one of four ASEAN countries with claims in the South China Sea that compete with Beijing's. While the

United States has no territorial dispute with Beijing in the area, it rejects China's claims as incompatible with international law. In early February, it conducted its first FONOP in the South China Sea under the Biden administration..

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